

PUBLIC DISCLOSURE

September 23, 2013

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

COMMUNITY CREDIT UNION OF LYNN

**ONE ANDREW STREET
LYNN, MASSACHUSETTS 01901**

**DIVISION OF BANKS
1000 WASHINGTON ST, 10TH FL
BOSTON, MA 02118**

<p>NOTE: This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion or opinion of the Division of Banks concerning the safety and soundness of this financial institution.</p>
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GENERAL INFORMATION

The Community Reinvestment Act (CRA) requires the Massachusetts Division of Banks (Division) to use its authority when examining financial institutions subject to its supervision, to assess the institution's record of meeting the needs of its entire assessment area, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. Upon conclusion of such examination, the Division must prepare a written evaluation of the institution's record of meeting the credit needs of its assessment area.

This document is an evaluation of the CRA performance of **Community Credit Union of Lynn (or the Credit Union)**, prepared by the Division, the institution's supervisory agency as of **September 23, 2013**. The Division evaluates performance in the assessment area(s), as they are defined by the institution, rather than individual branches. The Division rates the CRA performance of an institution consistent with the provisions set forth in the Division's regulation 209 CMR 46.00.

INSTITUTION'S CRA RATING: This institution is rated "High Satisfactory."

An institution in this group has a good record of helping to meet the credit needs of its assessment area, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities. The rating is supported by the following conclusions:

Loan-to-Share Ratio

The loan-to-share (LTS) ratio is more than reasonable given the institution's size, financial condition, and assessment area credit needs.

Assessment Area Concentration

A majority of the Credit Union's lending activity occurs within the assessment area.

Geographic Distribution

Overall, the geographic distribution of loans reflects reasonable dispersion throughout the assessment area.

Borrower Characteristics

The distribution of borrowers reflects, given the demographics of the assessment area, good penetration among individuals of different income levels (including low- and moderate-income).

Response to Complaints

Community Credit Union of Lynn did not receive any CRA-related complaints during the period reviewed.

SCOPE OF THE EXAMINATION

This evaluation assesses Community Credit Union of Lynn's CRA performance utilizing the interagency small institution examination procedures, as established by the Federal Financial Institutions Examination Council (FFIEC). These procedures evaluate the Credit Union's CRA performance pursuant to the following criteria: LTS ratio, assessment area concentration, the geographic distribution of loans, income of the borrower, and response to CRA-related complaints.

Data reviewed includes all originated home mortgage loans reported on the Credit Union's Home Mortgage Disclosure Act (HMDA) loan application registers (LARs) for 2011 and 2012. Additionally, year-to-date 2013 mortgage loan data was reviewed to note trends. The LARs contain data about home purchase and home improvement loans, including refinances of 1-4 family and multi-family properties. The Credit Union's home mortgage lending performance was compared to 2011 and 2012 aggregate lending data. Aggregate data includes the lending activity of all institutions subject to HMDA reporting within the Credit Union's assessment area.

Consumer loans were also reviewed for the same period, as they represent a large portion of the loan portfolio. A sample of 50 loans from the years 2011 and 2012 was compared to demographics of the assessment area.

While the evaluation discusses the total dollar amounts of loans, conclusions are primarily based on the Credit Union's lending performance by the number of loans originated or purchased. The number of loans correlates more closely with the number of individuals that obtained loans. Extremely large or small dollar loans could skew conclusions.

Demographic information from both the 2000 and 2010 United States (U.S.) Census was referenced in this evaluation. Lending data from 2011 was compared to 2000 U.S. Census data, while 2012 lending data was compared to 2010 U.S. Census data. Information from the 2010 U.S. Census was not available until 2012. Demographic information in the Performance Context section of the evaluation is based on the 2010 U.S. Census. Financial data was generally obtained from the June 30, 2013 Call Report.

PERFORMANCE CONTEXT

Description of Institution

Community Credit Union of Lynn was established in 1955. The Credit Union allows membership to all people living or working in the Greater Lynn area and surrounding North Shore communities. Currently, the field of membership includes Essex County and the 25-mile radius around the main office in Lynn. Community Credit Union of Lynn is a non-profit, member-owned organization with more than 10,000 members.

The main office, at One Andrew Street in downtown Lynn, is located in a low-income census tract. Community Credit Union of Lynn has one additional branch location at 32 Central Street in Peabody, MA. This branch office is located in a moderate-income census tract. Office hours are convenient and are accessible to all members. The branch hours vary by location: the Lynn branch hours are Monday through Thursday 8:00 a.m. to 4:30 p.m., while the Peabody branch hours are Monday through Wednesday 8:00 a.m. to 4:00 p.m. and Thursday 8:30 a.m. to 7:00 p.m. Both branches are open Friday 8:30 a.m. to 6:00 p.m. and Saturday 9:00 a.m. to 1:00 p.m. Each branch has an ATM.

As of June 30, 2013, assets totaled \$128.9 million. Total loans as of this date were \$94.2 million or 73.1 percent of total assets. The largest portion of the loan portfolio is comprised of first mortgage real estate loans/lines of credit with 48.9 percent, followed by new/used vehicle loans at 38.5 percent. Please refer to the following table for further information regarding the composition of the loan portfolio.

Table 1 - Community Credit Union Loan Portfolio Distribution		
Loan Type	Dollar Amount \$('000s)	Percent of Total Loans
Consumer Loans		
All Other Unsecured Loans/Lines of Credit	2,890	3.1
New Vehicles	15,819	16.8
Used Vehicles	20,442	21.7
Subtotal - Consumer Loans	39,151	41.6
Loan Secured by Real Estate		
First Mortgage Real Estate Loans/Lines of Credit	46,049	48.9
Other Real Estate Loans/Lines of Credit	8,245	8.8
Subtotal – Real Estate Loans/Lines of Credit	54,294	57.7
All Other Loans		
Other	706	0.7
TOTAL LOANS	94,151	100.0

Source: 5300 Report, Statement of Financial Condition as of June 30, 2013

The most recent CRA evaluation conducted by the Division on August 20, 2007 resulted in an overall rating of “High Satisfactory.” There appear to be no financial or legal impediments that would limit the Credit Union’s ability to help meet the credit needs of its assessment area.

Description of Assessment Area

The CRA requires the designation of one or more assessment areas within which a financial institution's record of helping to meet the credit needs of its community will be evaluated. Generally, an assessment area should consist of Metropolitan Statistical Areas (MSAs), Metropolitan Divisions (MDs), or contiguous political subdivisions, such as counties, cities, or towns. The Credit Union has one designated assessment area that conforms to CRA requirements as it consists of whole geographies, does not arbitrarily exclude low- or moderate-income areas, does not extend beyond state boundaries, and does not reflect illegal discrimination.

Geographies

The Credit Union's assessment area consists of the following cities and towns: Lynn, Swampscott, Salem, Peabody, Nahant, Lynnfield, Saugus, Revere, Marblehead, Danvers, and Beverly. All of the communities are located in Essex County, which is part of the Peabody, MA MSA-MD #37764, with the exception of Revere which is located in Suffolk County, which is part of the Boston-Quincy, MA MSA-MD #14484.

The *Geographic Distribution* section of the evaluation assesses the distribution of loans by census tract income level, especially in those designated low- and moderate-income. Each census tract is assigned an income level based on the median family income (MFI) of the tract as compared to the MFI established for the MD in which the tract is located. The four income levels are defined as follows:

Low-Income: Less than 50 percent of MFI

Moderate-Income: At least 50 percent but less than 80 percent of MFI

Middle-Income: At Least 80 percent but less than 120 percent of MFI

Upper-Income: 120 percent or greater of MFI

Based on 2010 U.S. Census data, there are 9 low-income tracts, 24 moderate-income tracts, 27 middle-income tracts, 17 upper-income tracts, and one tract for which income is not applicable. The area's census tract composition changed since the previous evaluation due to the most recent U.S. Census. The number of census tracts increased from 72 to 78. The number of low-, moderate- and upper-income tracts increased while the number of middle-income tracts decreased.

Table 2 contains pertinent demographic information concerning the assessment area.

Table 2 – Assessment Area Demographic Information						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	N/A
Geographies (Census Tracts)	78	11.5	30.8	34.6	21.8	1.3
Population by Geography	375,899	8.7	29.5	39.0	22.9	0.0
Owner-Occupied Housing by Geography	89,609	3.1	23.2	44.1	29.6	0.0
Distribution of Families by Income Level	93,091	25.5	17.6	20.4	36.5	0.0
Median Family Income (MFI)	\$77,792	Median Housing Value		\$395,340		
MSA-MD #14484 MFI	\$89,431					
MSA-MD #37764 MFI	\$86,117					
Families Below Poverty Level	8.4%	Unemployment Rate		7.9%		

Source: 2010 U.S. Census; 2011 and 2012 HUD Estimated Median Family Incomes

Median Family Income Levels

The analysis under the *Borrower Characteristics* section of the evaluation is based on the distribution of home mortgage loans to borrowers of different incomes, using the same four income levels defined in the previous section. The analysis utilizes income data from the 2000 and 2010 U.S. Censuses that have been annually adjusted by the Department of Housing and Urban Development (HUD) for inflation and other economic events. The estimated 2012 MFI figures for the Peabody, MA MSA-MD and Boston-Quincy, MA MSA-MD are listed in Table 2.

The analysis of the Credit Union's home mortgage lending also includes comparisons to the distribution of assessment area families by income level. Table 2 reveals there is a balanced representation of families from each income category. Low- and moderate-income families represent 43.1 percent of all families in the assessment area. Of all the families in the assessment area, 8.4 percent are below the poverty level.

Housing Characteristics

Among other statistics, Table 2 illustrates the distribution of owner-occupied housing units by census tract income level. The table shows that owner-occupied housing units in the assessment area are heavily concentrated in middle-income census tracts. Only 3.1 percent of total owner-occupied units are in the low-income tracts.

Unemployment Data

The unemployment rate in the assessment area was 7.9 percent based on the 2010 U.S. Census Data. State and county unemployment rates were obtained from the Bureau of Labor Statistics. The Massachusetts state unemployment rate was 7.3 percent in 2011 and 6.7 percent in 2012. The Essex County unemployment rate was 7.7 percent in 2011 and 7.1 percent in 2012. The Suffolk County unemployment rate was 7.1 in 2011 and 6.6 percent in 2012. Municipal unemployment rates were obtained from the Massachusetts Executive Office of Labor and Workforce Development. The August 2013 unemployment rates ranged from a low of 4.8 percent, which was in Marblehead, to a high of 7.9 percent in Lynn.

Competition

The Credit Union faces strong competition from other financial institutions that originated home mortgage loans within the assessment area. These institutions range in size and type from small credit unions and mortgage companies to large national institutions. Among the more prominent lenders competing with Community Credit Union of Lynn are Wells Fargo Bank, N.A.; Bank of America, N.A.; and Ally Bank. The 2011 Peer Mortgage Data shows that 367 lenders originated 22,021 residential mortgage loans in the Credit Union's assessment area.

Community Contact

As part of the evaluation process, third parties active in community affairs are contacted to assist in assessing the housing and general banking needs of the community. Relevant information obtained from such sources helps to determine whether local financial institutions are responsive to the credit and service needs of their communities and what further opportunities, if any, are available. For purposes of this evaluation, information provided by one such contact was referenced in preparing this evaluation.

An interview was conducted with a local housing authority. This organization has a mission of assisting low- and moderate-income families and individuals with safe and affordable housing. The contact indicated the need for financial literacy training, first time homebuyer workshops, and credit repair programs in the area. The community is in need of volunteers who would be willing to utilize their financial expertise to shape financial literacy and first time homebuyer programs in ways that fit clients' needs. There is also a need for local financial institutions to offer flexible lending programs that would allow individuals to rebuild credit. Overall, the contact noted that local financial institutions have been responsive to the credit needs of the community.

PERFORMANCE CRITERIA

Loan-to-Share Ratio

This performance criterion determines what percentage of the Credit Union's share base is reinvested in the form of loans. The appropriateness of the Credit Union's LTS ratio was evaluated. A comparative analysis of the Credit Union's quarterly net LTS ratios for the period of September 30, 2011 through June 30, 2013, was conducted during this examination. These ratios are based on total loans net of unearned income and net of the allowance for loan and lease losses (ALLL) as a percentage of total deposits.

The average net LTS ratio for the evaluation period was 99.0 percent. The Credit Union's average net LTS ratio was compared to the average net LTS ratios of three other locally-based, similarly situated depository institutions utilizing the period of September 30, 2011 through June 30, 2013. The Credit Union ranked first when compared to the other institutions' average net LTS ratios.

Table 3 – Loan-to-Share Comparison		
Credit Union Name	Total Assets \$(000) as of 6/30/13	Average Net LTS Ratio (%)
Community Credit Union of Lynn	128,901	99.0
River Works Credit Union	85,601	77.0
St. Jean's Credit Union	150,087	67.5
Brotherhood Credit Union	109,661	60.0

Source: 5300 Report, Statement of Financial Condition

Based on the forgoing information, Community Credit Union of Lynn's net LTS ratio is considered to exceed the standards for satisfactory performance.

Assessment Area Concentration

This performance criterion evaluates whether the Credit Union is meeting the credit needs within its assessment area by evaluating the amount of lending conducted within the assessment area.

Overall, a majority of the Credit Union's residential and consumer loans, by number and dollar amount, were inside the assessment area. As shown in Table 4, the Credit Union made 62.1 percent of its total loans by number, and 57.7 percent, by dollar amount, inside the assessment area.

Table 4 – Distribution of Loans Inside and Outside of Assessment Area										
Loan Category or Type	Number of Loans					Dollar Volume				
	Inside		Outside		Total	Inside		Outside		Total
	#	%	#	%		\$(‘000)	%	\$(‘000)	%	\$(‘000)
2011										
Home Purchase	17	60.7	11	39.3	28	3,044	52.5	2,759	47.5	5,803
Refinance	33	67.4	16	32.7	49	6,579	65.9	3,405	34.1	9,984
Home Improvement	4	40.0	6	60.0	10	371	24.6	1,139	75.4	1,510
Total	54	62.1	33	37.9	87	9,994	57.8	7,303	42.2	17,297
2012										
Home Purchase	20	76.9	6	23.1	26	4,306	63.4	2,483	36.6	6,789
Refinance	86	62.3	52	37.7	138	17,751	56.8	13,488	43.2	31,239
Home Improvement	6	60.0	4	40.0	10	978	56.8	745	43.2	1,723
Total	112	64.4	62	35.6	174	23,035	58.0	16,716	42.1	39,751
Total Home Mortgage	166	63.6	95	36.4	261	33,029	57.9	24,019	42.1	57,048
2011 Consumer Loans	13	52.0	12	48.0	25	201	48.1	217	51.9	418
2012 Consumer Loans	14	56.0	11	44.0	25	182	44.5	227	55.5	409
Total Consumer Loans	27	54.0	23	46.0	50	383	46.3	444	53.7	827
Grand Total	193	62.1	118	37.9	311	33,412	57.7	24,463	42.3	57,875

Source: 2011 and 2012 HMDA LARs, 2011 and 2012 consumer loan data collection

The following sections detail the Credit Union’s performance by loan type.

Home Mortgage Lending

A majority of the Credit Union’s home mortgage loans, both by number (63.6 percent) and dollar amount (57.9 percent), were inside the assessment area. The number of refinance loans increased significantly during the examination period. The Credit Union made 49 refinance loans totaling \$10.0 million in 2011, and made 138 refinance loans totaling \$31.2 million in 2012. This increase can be attributed to the low interest rate environment.

Consumer Lending

During the period reviewed, 54.0 percent of the consumer loan sample, by number, was originated inside the assessment area. A slight majority of the sample of consumer loans, by dollar volume, were originated outside the assessment area (53.7 percent).

The Credit Union meets the standards for satisfactory performance under this criterion.

Geographic Distribution

Overall, the geographic distribution of home mortgage loans reflects reasonable dispersion throughout the assessment area. This conclusion was primarily based on the Credit Union’s distribution of loans in low- and moderate-income (LMI) census tracts.

Home Mortgage Lending

Table 5 presents the Credit Union's home mortgage lending performance by number of loans in 2011 and 2012, as well as aggregate market data for 2011. Table 5 also includes the percentage of owner-occupied housing units for each census tract income level for comparison purposes.

Table 5 – Distribution of Home Mortgage Loans by Census Tract Income Level								
Census Tract Income Level	Owner-Occupied Housing Units (2000 Census)	2011 Aggregate Lending Data (% of #)	2011 Credit Union		Owner-Occupied Housing Units (2010 Census)	2012 Aggregate Lending Data (% of #)	2012 Credit Union	
			#	%			#	%
Low	1.1	0.8	0	0.0	3.1	2.2	4	3.6
Moderate	19.2	14.6	14	25.9	23.2	18.1	23	20.5
Middle	54.8	52.0	29	53.7	44.1	42.9	54	48.2
Upper	25.0	32.6	11	20.4	29.6	36.8	31	27.7
Total	100.0	100.0	54	100.0	100.0	100.0	112	100.0

Source: 2000 and 2010 U.S. Census Data; 2011 and 2012 HMDA Data

As revealed in Table 5, the Credit Union did not make any home mortgage loans in the low-income tracts in 2011 but improved its lending in low-income tracts in 2012. The number of low-income tracts in the assessment areas increased from 4 in 2011 to 9 in 2012. The Credit Union's performance in moderate-income census tracts remained good over both years reviewed. The year-to-date 2013 lending information reflects this good performance has continued. With 64 originations in the assessment area, 3 or 4.7 percent were in low-income tracts and 11 or 17.2 percent were in moderate-income tracts.

Consumer Lending

The following table shows the geographic distribution of consumer loans within low-, moderate-, middle-, and upper-income census tracts in comparison to the percentage of total households within the assessment area in each respective census tract income category.

Table 6 – Distribution of Consumer Loans by Census Tract Income Level						
Census Tract Income Level	% of Total Households (2000 U.S. Census)	2011 Credit Union		% of Total Households (2010 U.S. Census)	2012 Credit Union	
		#	%		#	%
Low	3.6	0	0.0	8.6	3	21.4
Moderate	28.8	4	31.0	29.5	5	35.7
Middle	49.6	8	62.0	39.3	5	35.7
Upper	18.1	1	7.0	22.6	1	7.2
Total	100.0	13	100.0	100.0	14	100.0

Source: 2011 and 2012 consumer loan data collection, 2000 and 2010 Census Data

Based on the loan sample reviewed, the Credit Union did not make any loans in low-income census tracts in 2011. In 2012, the Credit Union improved its performance as it originated three loans in low-income tracts. In regards to lending to moderate-income census tracts, the Credit Union performed slightly better than demographic indicators in both 2011 and 2012.

The Credit Union meets the standards of satisfactory performance under this criterion.

Borrower Characteristics

Overall, the distribution of borrowers, given the demographics of the assessment area, reflects good penetration among individuals of different income levels (including LMI). This conclusion was primarily based on Community Credit Union of Lynn's distribution of loans to LMI individuals.

Home Mortgage Lending

Table 7 shows the Credit Union's loans by borrower income level in 2011 and 2012. Table 7 also includes the distribution of families by income level using the appropriate U.S. Census data, as well as aggregate market data for 2011 and 2012.

Table 7 – Distribution of Home Mortgage Loans by Borrower Income Level								
Income Level	% of Total Families (2000 U.S. Census)	2011 Aggregate Lending Data (% of #)	2011 Credit Union		% of Total Families (2010 U.S. Census)	2012 Aggregate Lending Data (% of #)	2012 Credit Union	
			#	%			#	%
Low	21.8	6.6	5	9.3	25.5	6.1	15	13.4
Moderate	18.6	21.7	11	20.4	17.6	21.2	19	17.0
Middle	23.1	28.2	12	22.2	20.4	29.3	35	31.3
Upper	36.5	43.5	26	48.2	36.5	43.4	43	38.4
Total	100.0	100.0	54	100.0	100.0	100.0	112	100.0

Source: 2000 and 2010 U.S. Census Data; 2011 and 2012 HMDA Data

The Credit Union's distribution of loans to low-income borrowers (9.3 percent and 13.4 percent) was above the aggregate market (6.6 percent and 6.1 percent) in 2011 and 2012, respectively.

In 2011 and 2012, the Credit Union's distribution of loans to moderate-income borrowers was slightly below the aggregate market, but above or equivalent to the percentage of moderate-income families.

Again, year-to-date 2013 information confirms this good performance continues. With 64 originations within the assessment area, 8 or 12.5 percent of these originations were to low-income borrowers and 21 or 32.8 were to moderate-income borrowers.

Consumer Lending

Refer to Table 8 for specific data on the borrower distribution of consumer loans within the assessment area compared to the total households by tract income level.

Table 8 – Distribution of Consumer Loans by Borrower Income Level						
Income Level	% of Total Households (2000 U.S. Census)	2011 Credit Union		% of Total Households (2010 U.S. Census)	2012 Credit Union	
		#	%		#	%
Low	3.6	7	53.8	8.6	5	35.7
Moderate	28.8	3	23.1	29.5	6	42.9
Middle	49.6	0	0.0	39.3	2	14.3
Upper	18.1	3	23.1	22.6	1	7.1
Total	100.0	13	100.0	100.0	14	100.0

Source: 2011 and 2012 consumer loan data collection, 2000 and 2010 Census Data

The Credit Union extended a majority of the sample of consumer loans to low-income individuals in 2011. In 2012, this percentage dropped to 35.7 percent.

In 2011, the Credit Union made 23.0 percent of its loans to moderate-income individuals. This was slightly below the percentage of moderate income families in the assessment area (26.6 percent). This performance is somewhat tempered by the fact that income designations are predicated on family income where consumer loans are often granted based on the income of one borrower.

Nevertheless, the overall performance of the Credit Union in this criterion exhibits a willingness and ability to originate loans to borrowers of all income level including low- and moderate-income borrowers. The Credit Union exceeds the standards for satisfactory performance under this criterion.

Response to CRA Complaints/Fair Lending Policies and Practices

Community Credit Union of Lynn did not receive any CRA-related complaints during the evaluation period. It was noted that the Credit Union maintains adequate procedures to handle all incoming complaints, including those related to its CRA performance.

The Division of Banks provides comments regarding the institution's fair lending policies and procedures pursuant to Regulatory Bulletin 1.3-106.

Included in the Credit Union's Loan Policy are efforts to address the Equal Credit Opportunity Act, the Fair Housing Act, and the Home Mortgage Disclosure Act. The Credit Union has a second review process to ensure that denied applications are in no way the result of discriminatory practices. Additionally, the Credit Union utilizes an outside compliance consultant to conduct fair lending reviews.

Based upon the review of the Credit Union's public comment file and its performance relative to fair lending policies and practices, no violations of the anti-discrimination laws and regulations were identified.

The Credit Union has 20 employees who are bilingual to help non-English speaking customers of the Credit Union. Employees are available to service members in other languages that include Spanish, Greek, Portuguese, Albanian and Khmer.

MINORITY APPLICATION FLOW

According to the 2000 U.S. Census Data, the Credit Union's assessment area contained a total population of 365,984 individuals, of which 16.2 percent were minorities. The assessment area's minority and ethnic population was 7.8 percent Hispanic or Latino, 3.2 percent Black/African American, 3.0 percent Asian, 2.1 percent other, and 0.1 percent American Indian/Alaskan Native.

The release of the 2010 U.S. Census Data reveals that the percentage of minorities in the assessment area has increased since the time of the 2000 U.S. Census. Of the 375,899 individuals in the assessment area, 25.0 percent are minorities. The minority and ethnic population breakdown is as follows: 14.7 percent Hispanic or Latino, 4.2 Black/African American, 3.7 percent Asian, 2.1 percent other race, and 0.1 percent American Indian/Alaskan Native.

For 2011 and 2012, the Credit Union received 271 HMDA-reportable loan applications from within its assessment area. Of these applications, 10 or 3.7 percent were received from minority applicants, of which 5 or 50.0 percent resulted in originations. For the same time period, the Credit Union also received 8 applications from ethnic groups of Hispanic origin within its assessment area, of which 2 or 25.0 percent were originated.

The Credit Union's level of lending was compared with the aggregate's lending performance levels for 2011. The comparison of this data assists in deriving reasonable expectations for the rate of applications the Credit Union received from minority residential loan applicants.

In 2011, the Credit Union's performance was in line with that of aggregate lenders for minority applicant levels. The Credit Union's performance decreased slightly in 2012 as its minority application level fell from 4.0 to 3.5 percent. The Credit Union's performance was in line with the aggregate performance for ethnic minorities. The Credit Union's performance decreased slightly in 2012. Refer to the table below for information on the Credit Union's minority application flow as well as the aggregate lenders (excluding the Credit Union) in the Credit Union's assessment area.

Table 9 – Minority Application Flow						
RACE	Credit Union 2011		Aggregate Data 2011	Credit Union 2012		Aggregate Data 2012
	#	%	%	#	%	%
American Indian/ Alaska Native	0	0.0	0.2	0	0.0	0.1
Asian	2	2.0	2.3	1	0.6	2.1
Black/African American	1	1.0	1.5	0	0.0	1.6
Hawaiian/Pac Isl.	0	0.0	0.1	2	1.2	0.1
2 or more Minority	0	0.0	0.0	0	0.0	0.0
Joint Race (White/Minority)	1	1.0	0.8	3	1.7	1.0
Total Minority	4	4.0	4.9	6	3.5	4.9
White	81	81.8	68.3	141	82.0	72.3
Race Not Available	14	14.1	27.2	25	14.5	22.8
Total	99	100.0	100.0	172	100.0	100.0
ETHNICITY						
Hispanic or Latino	4	4.0	3.9	4	2.3	3.8
Not Hispanic or Latino	83	83.8	68.3	148	86.1	72.8
Joint (Hisp/Lat /Not Hisp/Lat)	0	0.0	0.8	0	0.0	0.9
Ethnicity Not Available	12	12.1	27.0	20	11.6	22.5
Total	99	100.0	100.0	172	100.0	100.0

Source: 2011 and 2012 HMDA LAR, 2011 HMDA Aggregate Data

The Credit Union's minority application flow, when compared to the aggregate's lending performance levels and the assessment area demographics, is reasonable.

PERFORMANCE EVALUATION DISCLOSURE GUIDE

Massachusetts General Laws Chapter 167, section 14, as amended, and the Uniform Interagency Community Reinvestment Act (CRA) Guidelines for Disclosure of Written Evaluations, and Part 345 of the Federal Deposit Insurance Corporation's Rules and Regulations, require all financial institutions to take the following actions within 30 business days of receipt of the CRA evaluation of their institution:

- 1) Make its most current CRA performance evaluation available to the public;
- 2) At a minimum, place the evaluation in the institution's CRA public file located at the head office and at a designated office in each assessment area;
- 3) Add the following language to the institution's required CRA public notice that is posted in each depository facility:

"You may obtain the public section of our most recent CRA Performance Evaluation, which was prepared by the Massachusetts Division of Banks at One Andrew Street, Lynn, MA 01901."

- 4) Provide a copy of its current evaluation to the public, upon request. In connection with this, the institution is authorized to charge a fee which does not exceed the cost of reproduction and mailing (if applicable).

The format and content of the institution's evaluation, as prepared by its supervisory agencies, may not be altered or abridged in any manner. The institution is encouraged to include its response to the evaluation in its CRA public file.